

## CITY OF RIVERSIDE

### BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities

Date of Meeting: April 15, 2005

Time of Meeting: 8:15 a.m.

Place of Meeting: Art Pick Council Chamber, City Hall  
3900 Main Street (at Tenth & Main Streets)  
Riverside, California

### **PLEDGE OF ALLEGIANCE TO THE FLAG**

#### **Roll Call**

Present: Jim Anderson (Vice Chair)      Lalit Acharya  
            Bob Stockton                      Conrad Newberry, Jr., P.E.  
            David Barnhart

Absent: Joe Tavaglione (absence due to sick leave)  
            Peter Hubbard (Chairman) (absence due to business)

### **MINUTES**

- (1) The regular meeting minutes from the Board of Public Utilities meeting held on April 1, 2005 was approved as submitted.

Motion: – Barnhart.      Second: – Newberry, Jr., P.E.

Ayes: Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Acharya.

Noes: None

Abstain: None

Absent: Tavaglione (absence due to sick leave)  
            Hubbard (absence due to business)

### **CITIZENS PARTICIPATION**

No comments were made.

### **COMMITTEE REPORTS**

#### **ELECTRIC COMMITTEE REPORT**

The Board of Public Utilities accepted and filed the April 13, 2005 Electric Committee minutes.

## **CONSENT CALENDAR**

A motion was made to approve the following items on the Consent Calendar.

Motion: – Acharya. Second: – Stockton

Ayes: Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Acharya.

Noes: None

Abstain: None

Absent: Tavaglione (absence due to sick leave)  
Hubbard (absence due to business)

The Board of Public Utilities:

## **ELECTRIC ITEMS**

### **(2) MARLBOROUGH STREET IMPROVEMENT PROJECT SUBPROJECT 050006/01**

Approved the estimated capital expenditure of \$125,754 to relocate poles at Marlborough and Rustin Avenues.

*This work is part of the Street Improvement Project.  
Funds are budgeted and available for this project.*

### **(3) ELECTRIC FACILITIES SECURITY ASSESSMENTS AND SPECIFICATION DEVELOPMENT – WORK ORDER 0501152**

Approved the estimated capital expenditure of \$300,000 for Work Order 0501152 to complete facilities security assessments and develop plans and specifications to make the necessary improvements.

## **WATER ITEMS**

### **(4) WATER MAIN REPLACEMENT WORK ORDER 704215**

Approved the estimated capital expenditure of \$103,330 to install 979 feet of eight-inch water main, 18 one-inch water services, and three fire hydrants in Lomita Street between Arlington Avenue and Gemende Drive.

*Funds are budgeted and available for this project.*

## **OTHER ITEMS**

## **DISCUSSION CALENDAR**

### **(5) PLANNING DEPARTMENT GENERAL PLAN UPDATE**

Planning Director Ken Gutierrez gave an update of the City of Riverside's General Plan particularly regarding the growth and annexations. Mr. Gutierrez answered questions from the Board and noted suggestions and concerns from the Board

regarding annexations and possibly reserving land for the Public Utilities and other departments to have satellite facilities near the annexation areas.

The Board of Public Utilities received and filed this update.

(6) FISCAL YEAR 2004/05 CAPITAL PROJECT REVIEW – ADDITIONAL CAPITAL IMPROVEMENT APPROPRIATIONS

Principal Electric Engineer Dave Redding reported that the Electric Utility is experiencing an unprecedented level of new customer growth for residential, commercial, and industrial development, which has resulted in the need for significantly higher spending in three capital accounts. Mr. Redding stated to better serve new customers for the fiscal year 2004/05 the Electric Utility is requesting additional appropriations for three Capital Improvement Project (CIP) accounts.

The Board of Public Utilities approved and recommended that the City Council approve the additional appropriations for the Electric Fund, as follows:

1. Increase the Distribution Line Extensions Account No. 6130000-470601 by \$2,000,000;
2. Increase the Transformers Account No. 6130000-470611 by \$1,500,000;
3. Increase the Major Tract Distribution Account No. 6130000-470626 by \$500,000; and
4. Increase the Contributions In Aid of Construction Revenue Account No. 0000510-375000 by \$1,675,000.

Motion: – Newberry, Jr., P.E. Second: – Barnhart.

Ayes: Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Acharya.

Noes: None

Abstain: None

Absent: Tavaglione (absence due to sick leave)  
Hubbard (absence due to business)

(7) RETAIL WATER SERVICE TO CITY OF RIVERSIDE WATER CUSTOMERS NOT CURRENTLY SERVED BY RIVERSIDE PUBLIC UTILITIES

Director Dave Wright presented a number of issues related to retail water service to City of Riverside water customers not currently served by Riverside Public Utilities. Mr. Wright stated that interim updates of the report would be presented to the Public Utilities Board's Finance/Marketing Committee.

The Board of Public Utilities recommended that the City Council direct the City Manager to prepare a report back within 180 days:

1. On the feasibility of Riverside Public Utilities' provision of water and electric services to proposed annexation areas and areas within the City of Riverside's sphere of influence; and
2. On the feasibility of RPU providing retail water service to water customers currently within the City of Riverside city limits that are not customers of Riverside Public Utilities.

Motion: – Newberry, Jr., P.E. Second: – Stockton.

Ayes: Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Acharya.

Noes: None

Abstain: None

Absent: Tavaglione (absence due to sick leave)  
Hubbard (absence due to business)

(8) ADOPTION OF PROPOSED WA-3 IRRIGATION METERED SERVICE CURRENT CUSTOMER TRANSITION PLAN

Director Dave Wright reviewed and summarized the recommendations of the adoption of the proposed WA-3 Irrigation Metered Service current customer transition plan and answered questions from the Board members.

The Board of Public Utilities:

A. Adopted a resolution approving the following items:

1. Two 8% per year regular rate increases as applied to all other water customer classes will be also applied to all current WA-3 customers effective on June 1, 2005 and 2006 (see attached proposed rate schedules of WA-3-A, WA-3-B, WA-3-C and WA-3);
2. Two 6% per year transition rate increases will also be applied to WA-3 wholesale nurseries located inside or outside defined greenbelt areas who will be transitioned to the WA-6 General Metered Service rate over a two-year period effective on June 1, 2005 and 2006 (see attached proposed WA-3-A rate schedules);
3. Three 6% per year transition rate increases will also be applied to WA-3 customers located outside defined greenbelt areas with qualifying groves who will be transitioned to the WA-9 Grove Preservation Service rate over a three-year period effective on June 1, 2005, 2006 and 2007 (see attached proposed WA-3-B rate schedules);
4. Twelve 6% per year transition rate increases will also be applied to current WA-3 customers outside the greenbelt areas that do not qualify for the WA-9 rate who will be transitioned to the WA-1 Residential Metered Service rate over a 12-year period effective on June 1, 2005 through May 31, 2017 (see attached proposed WA-3-C rate schedules); and

5. No transition rate increase is proposed for residential WA-3 customers in the designated greenbelt areas at this time (see attached proposed WA-3 rate schedules);
- B. Considered the following items as recommended by the City Council Land Use Committee and recommended referral of these issues to the Board of Public Utilities Water Committee:
1. The 5% "nominal" landscaping requirement included in the current WA-9 Grove Preservation Rate be reevaluated; and
  2. Offering service under WA-3 and WA-9 to customers outside the City limits to be reconsidered.

Motion: – Stockton. Second: – Acharya.

Ayes: Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Acharya.

Noes: None

Abstain: None

Absent: Tavaglione (absence due to sick leave)  
Hubbard (absence due to business)

Board Member Newberry, Jr., P.E., once again stated on record that he still does not approve that the Utility should have to subsidize for the 69 Greenbelt customers. Mr. Newberry felt the General Fund, not the Utility, should be subsidizing these customers to keep the Greenbelt green. Mr. Newberry would only agree on the above recommendations by the Board adding the following recommendation for the City Council's consideration.

The Board of Public Utilities:

- C. Approved and recommended that the City Council consider the Board's strong recommendation that the General Fund underwrite the cost to the Water Utility of the remaining subsidization of WA-3 customers in the Greenbelt through a Water Utility general fund transfer reduction.

Motion: – Newberry, Jr., P.E. Second: – Barnhart.

Ayes: Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Acharya.

Noes: None

Abstain: None

Absent: Tavaglione (absence due to sick leave)  
Hubbard (absence due to business)

### **DIRECTOR'S REPORT**

- (A) Open and Closed Work Orders – March 2005
- (B) Monthly Benchmark Report Cards – March 2005
- (C) Water Highlights – March 2005
- (D) Rolling Calendar Outlining Future Utility Projects as of April 8, 2005
- (E) City Council Agendas – April 5, 2005 and April 12, 2005

### **SYSTEMATIC REPORTING ON CONFERENCES / SEMINARS / BOARD MEETINGS**

### **UPCOMING MEETING**

Vice Chairman Jim Anderson adjourned the meeting at 9:18 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, May 6, 2005**, at **8:15 a.m.** at the **Utilities Plaza Conference Room located at 3460 Orange Street (at Fifth and Orange Streets) in Riverside, California.**

By: \_\_\_\_\_  
David H. Wright, Secretary  
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: May 6, 2005